



U.S. Department of Housing and Urban Development
Office of Multifamily Housing
Seattle Multifamily Hub

October 18, 2011

MEMORANDUM FOR: Management Agents, Owners and Project Managers subject to HUD Management Fee Limits in Alaska, Idaho, Oregon and Washington

Renee D. Greenman
FROM: Renee D. Greenman, Director, Seattle Multifamily Hub

SUBJECT: Management Fee Policy 2011 Effective November 1st, 2011

The Seattle Multifamily Hub has completed an analysis of the allowed Management Fees, in compliance with the requirements of the Management Agent Handbook, 4381.5 REV-2. Based on our review, the following represents our updated fee schedule for elderly and family projects.

MANAGEMENT FEE (S)

Idaho, Oregon and Washington remain at \$42 per unit per month (PUPM). In Alaska remains at \$60 per unit per month (PUPM)

ID, OR & WA:	Basic Rate-Per Unit Per Month	\$42 PUPM
AK	: Basic Rate-Per Unit Per Month	\$60 PUPM

ADDITIONAL ADD ON FEES

Projects may receive additional add-on fees in one or more of the following categories:

Subsidy mix

\$3.00

Projects with Section 8 and another HUD or LIHTC subsidy. Projects, with HUD subsidies such as Section 236, or 202/811; or with Low Income Housing Tax Credits; where at least 50% of Total Units *also* have Tenant or Project-Based Section 8 Subsidy.

Predominantly Special Needs Clientele

\$5.00

Projects where at least 50% of Total Units have residents who are Physically, Developmentally or Mentally Disabled or are actively serving formerly Homeless households who moved directly from a Homeless situation as defined by HUD (living in the streets, temporary shelters)

Small Project Allowance

25 or Fewer Total Units in the Project

\$4.00

26 to 50 Total Units in the Project

\$2.00

<u>Larger Size Units</u>	<u>\$3.00</u>
Projects where at least 40% of Total Units have three (3) or more bedrooms	
<u>Scattered Sites</u>	<u>\$2.00</u>
Projects that include two (2) or more separate Sites.	
<u>Neighborhood Network</u>	<u>\$1.00</u>
Properties that have a HUD-Approved Neighborhood Network Business Plan	
<u>Adverse Neighborhood Conditions</u>	<u>\$4.00</u>
Properties that have documented high incidence of crime or vandalism or large concentration of deteriorated substandard housing. These characteristics tend to increase maintenance and repair problems, resident turnover, vacancies and rent collection losses.	

NOTE: All additional fees must be justified and documented and may not be implemented without written approval from the assigned HUD Project Management staff, which will not be unreasonably withheld.

MAXIMUM CAP

Notwithstanding the number of the above add-on fees which may apply, **the Maximum Cap for ID, OR & WA may not exceed \$62.00 and for AK may not exceed \$80.00** unless specifically authorized, in writing, by this office.

SPECIAL FEES

In addition to the above, other Special Fees may be allowed for a limited period of time in accordance with HUD Handbook 4381.5, Revision #2, Paragraph 3.6.

Attached for your convenience is a copy of the Computation of Management Fees. Please use the Computation of Management Fees when submitting your request for Management Certification; return as an attachment to the Management Certification HUD 9839-b.

This fee schedule applies only to the Seattle Multifamily Hub Program Center. If you have any questions, please contact your Project Manager.